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SUBJECT: KAZAKHSTAN: MFA SEEKS HIGH PROFILE VISIT TO SIGNAL
CONTINUED U.S. COMMITMENT

¶1. (U) Sensitive but unclassified. Not for public Internet.

¶2. (SBU) SUMMARY: On November 25, 2008, Econoff met with the Head of the Americas Department at the MFA, Talgat Kaliyev, to deliver a demarche on the proposed development of a Global Partnership for Agriculture and Food (GPAF). After the demarche and its points were discussed, eliciting a generally positive response as to the likely participation of Kazakhstan in such a partnership (septel), the topic of conversation shifted to the broader U.S.-Kazakhstan strategic partnership, Kazakhstan's growing desire for a highly visible show of U.S. support, and additional insights on the merger of Samruk and Kazyna into a mega-holding company. END SUMMARY.

SAMRUK-KAZYNA TO HOLD KEYS TO THE KINGDOM

¶3. (SBU) According to Kaliyev, the newly-created Samruk-Kazyna National Welfare Fund is the "president's baby," formed to give needed muscle to the economic and development policy initiatives of the government. In his words, it was born of the need to achieve "concrete results" in an environment dominated by ineffective government ministries. He added that future international business partnerships, particularly involving tenders or concessions, would need to involve Samruk-Kazyna. He also shared his concern that existing initiatives such as the Public Private Economic Partnerships Initiative (PPEPI) run the risk of being buried in the bureaucracy of ministries such as the Ministry of Industry and Trade. (NOTE: Kaliyev was our primary conduit in the run up the launch of the PPEPI in June 2008. END NOTE). In his view, involving Samruk-Kazyna will be key to moving any economic or business development initiative forward.

KAZAKHSTAN SEEKS REASSURANCE OF U.S. COMMITMENT

¶4. (SBU) Regarding the broader relationship with the United States, Kaliyev emphasized that Astana was not entirely convinced of U.S. commitment to the "strategic partnership." Kaliyev said that Kazakhstan has long done the bidding of the U.S government -- particularly regarding nuclear disarmament, counter-terrorism, and participation in Iraq -- and warned of a growing consensus that the United States should reciprocate and make a more serious, visible commitment to the development of Kazakhstan. For example, he

suggested U.S. corporate investment in an industry outside the extractive sector and specifically mentioned that the president was very interested in cutting-edge technologies, such as power generating wind turbines. He also said that Kazakhstan continues to feel that it is being punished by the Jackson-Vanik legislation, and the "stalled WTO negotiations" over agriculture and genetically modified organisms. Kaliyev said that the Kazakhstani government has been led to believe that WTO accession and the lifting of Jackson-Vanik are somehow related, although he admitted, "we do not understand the connection."

OBAMA SHOULD VISIT KAZAKHSTAN

¶15. (SBU) Kaliyev said his opinion of the relationship of Washington to Astana had changed since he returned from his assignment as DCM at the Embassy of Kazakhstan to the United States. He feels that, given the strategic importance of Kazakhstan, it is time for the United States to make a highly-visible commitment to the bilateral relationship in the near future. Kaliyev expressed his support for the results of the recent presidential election and his belief that "America once again demonstrated its greatness" and specifically mentioned Astana's strong desire for a future visit from president-elect Obama. He said that such a public and prominent visit would help to solidify Kazakhstan's commitment to the strategic partnership. Nazarbayev, he said, is committed to the Path to Europe, and wants very much for Kazakhstan to serve as a model for the region -- a place where European ways of thinking co-exist peacefully and productively with Central Asian culture and tradition.

CRITISISM POSSIBLY LIMITED TO WORKING LEVEL

¶16. (SBU) COMMENT: Kaliyev is the Chief of the MFA's Americas

ASTANA 00002372 002 OF 002

section (United States, Canada, Cuba, Brazil have resident embassies). His position is roughly equivalent to that of a DAS. One can take his statements as reflecting thought within the MFA but not necessarily the government as a whole. On November 26, Ambassador Hoagland hosted Kaliev, his boss Deputy Foreign Minister (Europe and the Americas) Saribay and the chief of staff to State Minister Saudabayev (the former Kazakhstani ambassador to the United States and close personal advisor to President Nazarbayev) for Thanksgiving dinner. Over dinner, Kaliyev voiced the same statements about a desired Presidential visit, but Saribay was extremely warm in his statements about the bilateral relationship. Kaliev's statements may express some frustration at the working level, but there are no indications that this frustration extends to the very top. END COMMENT.

MILAS